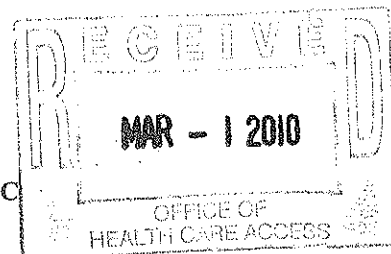


WINDHAM COMMUNITY MEMORIAL HOSPITAL, INC



Pt Access Policy #  
Windham Hospital Policy Manual

DEPARTMENT: Patient Access

SUBJECT: BAD DEBT

TITLE: Policy to Write-Off Accounts to Bad debt Status

POLICY: It is the policy of Windham Hospital to transfer self-pay accounts from Accounts Receivable to a Bad Debt status after it has been determined the accounts is uncollectible by the self-pay collectors.

- A. The account is considered uncollectible using the following criteria:
  - 1. The age of the account is at least 120 day from the date of discharge.
  - 2. The guarantor has received no less than two statements clearly stating the balance due is their responsibility as well as intermittent pre-collection letters.
  - 3. The account has been discharged via bankruptcy action.
  - 4. The account has a balance of \$24.99 or more and meets the criteria stated in #1 and #2.
- B. Prior approval for write-offs will be obtained and recorded on a Pre Bad Debt listing report that will be monitored and approved by the Access Services Manager.
- C. Once approval has been obtained and the Finance Department is notified, the accounts to be written off are processed. The current balance if approved accounts is transferred to Bad Debt status.
- C. After review of the delinquent accounts, the Collector Code changes are made in the AS400. The Access Service Manager handles the processing of these accounts from Accounts Receivable to Bad Debt status.

Prepared By: Francine Boulay

Approved: Janice Mackie

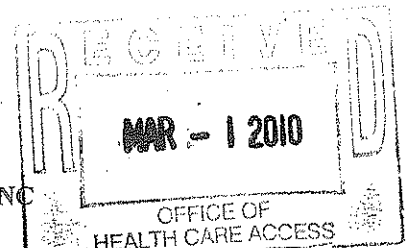
Effective Date: 1996

Review: Annually

Reviewed, Not Revised:

Reviewed & Revised: 12/07

WINDHAM COMMUNITY MEMORIAL HOSPITAL, INC



Windham Hospital Policy Manual

DEPARTMENT: Patient Access

SUBJECT: Financial Assistance Program

TITLE: Operation of WCMH Financial Assistance Program

POLICY: Patients may be eligible for the Windham Hospital's financial Assistance Program. The hospital's Financial Assistance program is intended for application to outstanding hospital charges only. Applicants will be directed to seek separate agreements with outside providers for specific physician and professional charges. The hospital will comply with Connecticut General Statute 3-125, amended by Public Act 03-266 and will provide free care to patients that qualify

PROCEDURE: Patients are notified that Financial Assistance is available by the following ways:

- Notices are posted throughout the hospital at all registration points.
- Notices are printed on all statements, and collection agency correspondence.
- Notices are posted in the Patient Accounts, and cashiering areas.
- Notices are posted in Financial Counselor's office

Applicants for the Financial Assistance program are required to complete a written application with documented information concerning their financial condition, including but not limited to resources, income, assets and ability to pay. The Financial Assistance application must be completed in full to receive consideration. Incomplete applications will not be considered. Patients whose applications are incomplete will have their application returned for completion.

Based on the information received, the Financial Counselor will screen applicants for eligibility for all appropriate social services programs. This is to match patients with other resources that may assist them for non-hospital services, and also to maximize availability for the hospital's limited Financial Assistance resources.

The Financial Counselor reviews completed Financial Assistance applications determining the percentage of the allowance based on the following criteria:

- The current fiscal year federal poverty guidelines
- The guarantor's assets
- The ability to pay
- The guarantor's household unit size

The recommended allowances are at the discretion of the Financial Counselor and presented for approval to the Access Services Manager.

These findings are then reported in writing to the applicant by mail at the mailing address given in the application. Upon acceptance by the patient of the Financial Assistance discount, patients are required to sign a budget agreement establishing a no-interest, no-penalty installment payment schedule for the remaining balance due.

Patients may appeal decisions regarding eligibility criteria and amounts by submitting written requests for reconsideration through the Financial Counselor. Appeals are reviewed by a committee comprising the Financial Counselor, Access Services Manager and Case Management Director

Applicants can re-apply for Financial Assistance Care at any time as their circumstances change.

A copy of the Financial Assistance application, the Financial Assistance guidelines, and the notice is attached are provided in both English and Spanish.

Approved by: Francine Boulay  
Access Services Manager

Effective Date: 3/1/05

Review: Annually

Reviewed, Not Revised: 2/09

Reviewed & Revised: 3/06;6/07

## UNCOMPENSATED FREE CARE PROGRAM

### **POLICY:**

It is the policy of Windham Hospital to provide a pre-determined amount of its services without charge to eligible persons.

To be eligible to receive uncompensated services, the income of the family of the individual applying, must fall within the Federal Poverty Guidelines, with consideration of debt versus gross income.

### **PROCEDURE:**

- I. Applications are obtained and sent out to the requestor by the Financial Counselor and Emergency Room Registrars.
- II. When the application is returned:
  - A. Start a worksheet.
  - B. Place accounts that are currently in self pay (PP) into the Free Care financial class (IP).
  - C. Note the date the application is received.
  - D. Request to meet with the Financial Counselor is verbally given or mailed to the patient.
  - E. Check application for complete information:
    1. Name
    2. Address
    3. Family size, including family members names
    4. Income verification (one of the following)
      - a. Originals or copies of pay stubs
      - b. Statement from employer on company letterhead, signed with title, gross income by month of applicant
      - c. Confidential Report of Benefits from Social Security
      - d. Determination notice from Town or State
      - e. Computer printout of benefits from the Unemployment Office
      - f. Bank statements showing monthly interest payments
      - g. Signed statement of support from person living in the same household
      - h. Signed statement from absent family member providing support to the family
      - i. Copy of financial aid award for college student
      - j. W-2 or income tax form
      - k. For self-employed persons, the prior years income tax return will be utilized
    5. Debt Verification (copies of):
      - a. monthly utility bills
      - b. monthly mortgage or rent receipt
      - c. personal loan payments
      - d. credit card statements
      - e. medical expenses
      - f. insurance costs(car, home, medical)
      - g. any materials proving debt exceeds income
    6. Asset verification (copies of)
      - a. bank statements
      - b. stocks, bonds, US Savings Bonds

- c. deeds of owned property
- d. motor vehicle titles
- e. proof of pending lawsuits

F. Review the request for advance service approval and respond within five (5) working days.

G. Calculation of income:

1. Based upon three (3) months preceding the application (i.e. for April applications, use January, February, and March).
  - a. If both the 3-month and 12-month information is available, use the lower amount of the two provided.
  - b. To project the 12-month information when only 3-month is available, multiply the 3-month total gross by four(4).

H. Calculation of debt:

1. Project yearly debt by totaling all monthly payments, multiply by twelve(12) and add any additional debt verified.

III. Upon completion of the worksheet, determine if a conditional response is needed:

- A. A conditional response is required if any requested information is missing and the response will denote the necessary information needed to complete the application (i.e. family list, income information, debt verification and/or an asset list).
- B. Special Conditional Approval for prenatal clinic patient accounts:
  1. Estimate eligibility by using the current income guidelines and include the unborn child.
  2. The patient must apply for any state aid program available. Any Free Care will be calculated after payments are received from other sources.

IV.

If all information is complete, eligibility is calculated utilizing:

- A. The current income guidelines, as distributed by the Federal Government, are based on a percentage(%) of eligibility.
- B. Sign, date and enter final determination on the worksheet.
- C. Submit the worksheet to the Supervisor, Patient Registration, for final approval or denial.
  1. A denial will be issued when:
    - a. The family is overincome
    - b. Incomplete information is provided
    - c. Lack of information
    - d. Patient does not respond to conditional approval

D. Patient request for appeal of denial or percentage(%) of Free Care Allowance granted.

1. Appeal form sent to requesting patient
2. Appeal form must be filed with hospital within thirty (30) days of original decision and will receive notification of receipt of appeal within two(2) weeks.
3. Appeal/Review Committee will meet within two(2) weeks of receipt of appeal and redetermine if necessary
  - a. outcome of committee decision will be sent to the patient within ten (10) working days

V. All determinations will be in writing and on printed forms

- A. Free Care allowances are listed by account number on a detailed prepared form
- B. Batch sheets are prepared illustrating allowances as credits to the account
- C. The financial class of individual accounts are changed to self pay (PP) when partial free care is given
- D. A detailed listing will be sent to any or all appropriate collection agencies illustrating any Free Care allowances and balances due

VI. All activity on the account will be maintained on the Patient Billing History Screen

VII. A detailed log of patient applications will be maintained on a fiscal year basis

- A. At the close of each month, a determination of total allowances by category will be calculated and submitted to the Administrative Director, Finance for review
- B. A monthly reconciliation of the year-to-date log in comparison to the monthly general ledger journal entries will be performed to ensure all accounts have been properly allowed from the accounts receivables as a free care allowance.

WINDHAM COMMUNITY MEMORIAL HOSPITAL, INC.

Windham Hospital Policy Manual

DEPARTMENT: Finance

SUBJECT: Free Care

TITLE: UNCOMPENSATED FREE CARE PROGRAM

POLICY:

1. It is the policy of Windham Hospital to provide a pre-determined amount of its' services without charge to eligible persons. A statement of the amount of free care to be provided for the fiscal year will be published within the Town Notice section of the local newspaper.
2. To be eligible to receive uncompensated services, the income of the family of the individual applying, must fall within the Federal Poverty Guidelines.

PROCEDURE:

Windham Hospital will assist patients in meeting their debt obligations by assisting patients with payment plans that best suit their individual financial situations.

- I. Applications are obtained and sent out to the requestor by the Financial Counselor and Emergency Room Registrars.
- II. When the application is returned:
  - A. Start a worksheet.
  - B. Note the date the application is received.
  - C. Place accounts that are currently in self pay (PP) into the Free Care financial class (IP).
  - D. Request to meet with the Financial Counselor is verbally given or mailed to the patient.
  - E. Check application for complete information:
    1. Name.
    2. Address.
    3. Family size, including family members names.
    4. Income verification (one of the following):
      - a. Originals or copies of pay stubs;
      - b. Statement from employer on company letterhead, signed with title, gross income by month of applicant;
      - c. Confidential Report of Benefits from Social Security;
      - d. Determination notice from Town or State;

- e. Computer printout of benefits from the Unemployment Office;
  - f. Bank statements showing monthly interest payments;
  - g. Signed statement of support from person living in the same household;
  - h. Signed statement from absent family member providing support to the family;
  - i. Copy of financial aid award for college student;
  - j. W-2 or income tax form; or
  - k. For self-employed persons, the prior years income tax return will be utilized.
5. Asset verification (copies of):
- a. bank statements;
  - b. stocks, bonds, U.S. Savings Bonds;
  - c. deeds of owned property;
  - d. motor vehicle titles; and
  - e. proof of pending lawsuits, Workers' Compensation or No-Fault.
6. All information provided will be verified with a credit agency for accuracy for individuals requesting more than \$1,000 of free care.
7. Assets will be considered when determining eligibility.
- F. Review the request for advance service approval and respond within five (5) working days.
- G. Calculation of income:
- 1. Based upon three (3) months preceding the application (i.e. for April applications, use January, February, and March).
    - a. If both the 3-month and 12-month information is available, use the lower amount of the two provided.
    - b. To project the 12-month information when only 3-month is available, multiply the 3-month total gross by four (4).
- III. Upon completion of the worksheet, determine if a conditional response is needed:
- A. A conditional response is required if any requested information is missing and the response will denote the necessary information needed to complete the application (i.e. family list, income information, or an asset list).
  - B. Special Conditional Approval for prenatal clinic patient accounts:
    - 1. Estimate eligibility by using the current income guidelines and include the unborn child.

2. The patient must apply for any state aid program available. Any Free Care will be calculated after payments are received from other sources.

IV. If all information is complete, eligibility is calculated utilizing:

- A. The current income guidelines, as distributed by the Federal Government, are based on a percentage (%) of eligibility.
- B. Sign, date and enter final determination on the worksheet.
- C. The verification of free care will be valid for thirty days unless the service is continuous. In this case, the verification will be valid for the duration of care.
- D. Submit the worksheet to the Accounting Manager for final approval or denial.
  1. A denial will be issued when:
    - a. The family is over income;
    - b. Incomplete information is provided;
    - c. Lack of information;
    - d. Patient does not respond to conditional approval; or
    - e. Patient is deemed to have significant assets to meet debt.
- E. Patient request for appeal of denial or percentage (%) of Free Care Allowance granted.
  1. Appeal form sent to requesting patient.
  2. Appeal form must be filed with hospital within thirty (30) days of original decision and will receive notification of receipt of appeal within two (2) weeks.
  3. Appeal/Review Committee will meet within two(2) weeks of receipt of appeal and redetermine, if necessary. The Appeal Committee consists of a Social Worker, a finance representative, a Nurse Manager, and a financial counselor).
    - a. Outcome of committee decision will be sent to the patient within ten (10) working days.

V. All determinations will be in writing and on printed forms.

- A. Free Care allowances are listed by account number on a detailed prepared form.
- B. Batch sheets are prepared illustrating allowances as credits to the account.
- C. The financial class of individual accounts are changed to self pay (PP) when partial free care is given.
- D. A detailed listing will be sent to any or all appropriate collection agencies illustrating any Free Care allowances and balances due.

VI. All activity on the account will be maintained on the Patient Billing History Screen.

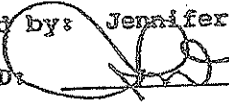
VII. A detailed log of patient applications will be maintained on a fiscal year basis.



VII. A detailed log of patient applications will be maintained on a fiscal year basis.

- A. At the close of each month, a determination of total allowances by category will be calculated and submitted to the Administrative Director, Finance for review.
- B. A monthly reconciliation of the year-to-date log in comparison to the monthly general ledger journal entries will be performed to ensure all accounts have been properly allowed from the accounts receivables as a free care allowance.

Approved by: Jennifer Dinwoodie, Admin. Director, Finance

APPROVED: 

Effective Date: January 1996  
Review: Annually

Reviewed, Not Revised:  
Reviewed & Revised:

FREECARE.POL



WINDHAM  
HOSPITAL

Excellence in Community Healthcare™

2007

### FINANCIAL ASSISTANCE PROGRAMS

Windham Hospital provides financial assistance for certain qualified patients who are unable to pay all or part of their hospital bill. Financial assistance is based on your income, assets, and number of dependants in your family as described in the income guideline chart below. Financial Assistance is given for Windham Hospital charges only. Arrangements to pay your Physician, Radiologist, Anesthesiologist or Pathologist must be made separately to those providers.

If you think you are eligible for these services and would like an application, please call 860-456-6706 or 860-456-6109 Monday-Friday to speak with a Financial Counselor or make an appointment to speak with a Financial Counselor at Windham Hospital on the first floor located at 112 Mansfield Avenue, Willimantic, CT 06226. After you have completed an application, you will be notified whether it has been approved or denied. If your application is denied you may reapply as additional funds may become available on a yearly basis or your financial circumstances change.

FAMILY SIZE **	ADJUSTED GROSS INCOME	
	Effective Date:	
#	<i>Category A Incomes below the Max Family Income may be eligible for up to 100% Free Hospital Care</i>	<i>Category B Uninsured Patients with Incomes between the Family Income listed below may be eligible for 50% Cost Reduction of Hospital Care</i>
	<i>Max Family Income (Gross)</i>	<i>Max Family Income (Gross)</i>
1	\$10,210	\$ 10,211 - \$25,525
2	\$13,690	\$13,691 - \$34,225
3	\$17,170	\$17,171 - \$42,925
4	\$20,650	\$20,651 - \$51,625
5	\$24,130	\$24,131 - \$60,325
6	\$27,610	\$27,611 - \$69,025
7	\$31,090	\$31,091 - \$77,725
8	\$34,570	\$34,571 - \$86,425
** For family units with more than eight members add \$3,400 for each additional member.		

20857. To speak to a staff member, please call (301) 443-5656. To receive a Hill-Burton information package, call 1-800-638-0742 (for callers outside Maryland) or 1-800-492-0359 (for callers in Maryland). You also may visit <http://www.hrsa.gov/hillburton/default.htm>. The Division of Facilities Compliance and Recovery notes that as set by 42 CFR 124.505(b), the effective date of this update of the poverty guidelines for facilities obligated under the Hill-Burton Uncompensated Services Program is sixty days from the date of this publication.

For information about the percentage multiple of the poverty guidelines to be used on immigration forms such as USCIS Form I-864, Affidavit of Support, contact U.S. Citizenship and Immigration Services at 1-800-375-5283.

For information about the number of people in poverty or about the Census Bureau poverty thresholds, visit the Poverty section of the Census Bureau's Web site at <http://www.census.gov/hhes/www/poverty/poverty.html> or contact the Census Bureau's Demographic Call Center Staff at (301) 763-2422 or 1-866-758-1060 (toll-free).

For general questions about the poverty guidelines themselves, contact Gordon Fisher, Office of the Assistant Secretary for Planning and Evaluation, Room 404E, Humphrey Building, Department of Health and Human Services, Washington, DC 20201—telephone: (202) 690-7507—or visit <http://aspe.hhs.gov/poverty/>.

#### SUPPLEMENTARY INFORMATION:

#### Background

Section 673(2) of the Omnibus Budget Reconciliation Act (OBRA) of 1981 (42 U.S.C. 9902(2)) requires the Secretary of the Department of Health and Human Services to update, at least annually, the poverty guidelines, which shall be used as an eligibility criterion for the Community Services Block Grant program. The poverty guidelines also are used as an eligibility criterion by a number of other Federal programs. The poverty guidelines issued here are a simplified version of the poverty thresholds that the Census Bureau uses to prepare its estimates of the number of individuals and families in poverty.

As required by law, this update is accomplished by increasing the latest published Census Bureau poverty thresholds by the relevant percentage change in the Consumer Price Index for All Urban Consumers (CPI-U). The guidelines in this 2009 notice reflect the 3.8 percent price increase between calendar years 2007 and 2008. After this inflation adjustment, the guidelines are

rounded and adjusted to standardize the differences between family sizes. The same calculation procedure was used this year as in previous years. (Note that these 2009 guidelines are roughly equal to the poverty thresholds for calendar year 2008 which the Census Bureau expects to publish in final form in August 2009.) The guideline figures shown represent annual income.

#### 2009 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA

Persons in family	Poverty guideline
1 .....	\$10,830
2 .....	14,570
3 .....	18,310
4 .....	22,050
5 .....	25,790
6 .....	29,530
7 .....	33,270
8 .....	37,010

For families with more than 8 persons, add \$3,740 for each additional person.

#### 2009 POVERTY GUIDELINES FOR ALASKA

Persons in family	Poverty guideline
1 .....	\$13,530
2 .....	18,210
3 .....	22,890
4 .....	27,570
5 .....	32,250
6 .....	36,930
7 .....	41,610
8 .....	46,290

For families with more than 8 persons, add \$4,680 for each additional person.

#### 2009 POVERTY GUIDELINES FOR HAWAII

Persons in family	Poverty guideline
1 .....	\$12,460
2 .....	16,760
3 .....	21,060
4 .....	25,360
5 .....	29,660
6 .....	33,960
7 .....	38,260
8 .....	42,560

For families with more than 8 persons, add \$4,300 for each additional person.

Separate poverty guideline figures for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966-1970 period. (Note that the Census Bureau poverty thresholds—the version of the poverty measure used for statistical purposes—have never had separate figures for Alaska and Hawaii.) The

poverty guidelines are not defined for Puerto Rico or other outlying jurisdictions. In cases in which a Federal program using the poverty guidelines serves any of those jurisdictions, the Federal office that administers the program is generally responsible for deciding whether to use the contiguous-states-and-DC guidelines for those jurisdictions or to follow some other procedure.

Due to confusing legislative language dating back to 1972, the poverty guidelines have sometimes been mistakenly referred to as the "OMB" (Office of Management and Budget) poverty guidelines or poverty line. In fact, OMB has never issued the guidelines; the guidelines are issued each year by the Department of Health and Human Services. The poverty guidelines may be formally referenced as "the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2)."

Some programs use a percentage multiple of the guidelines (for example, 125 percent or 185 percent of the guidelines), as noted in relevant authorizing legislation or program regulations. Non-Federal organizations that use the poverty guidelines under their own authority in non-Federally-funded activities can choose to use a percentage multiple of the guidelines such as 125 percent or 185 percent.

The poverty guidelines do not make a distinction between farm and non-farm families, or between aged and non-aged units. (Only the Census Bureau poverty thresholds have separate figures for aged and non-aged one-person and two-person units.)

Note that this notice does not provide definitions of such terms as "income" or "family." This is because there is considerable variation in how different programs that use the guidelines define these terms, traceable to the different laws and regulations that govern the various programs. Therefore, questions about how a particular program applies the poverty guidelines (for example, Is income before or after taxes? Should a particular type of income be counted? Should a particular person be counted in the family or household unit?) should be directed to the organization that administers the program; that organization has the responsibility for making decisions about definitions of such terms as "income" or "family" (to the extent that the definition is not already contained in legislation or regulations).

Dated: January 16, 2009.

Michael O. Leavitt,

*Secretary of Health and Human Services.*

[FR Doc. E9-1510 Filed 1-22-09; 8:45 am]

BILLING CODE 4151-05-P

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**DEPARTMENT OF HEALTH AND  
HUMAN SERVICES**

Office of the Secretary

**Annual Update of the HHS Poverty  
Guidelines**

AGENCY: Department of Health and  
Human Services.

ACTION: Notice.

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**SUMMARY:** This notice provides an update of the HHS poverty guidelines to account for last calendar year's increase in prices as measured by the Consumer Price Index.

**DATES:** *Effective Date:* Date of publication, unless an office administering a program using the guidelines specifies a different effective date for that particular program.

**ADDRESSES:** Office of the Assistant Secretary for Planning and Evaluation, Room 404E, Humphrey Building, Department of Health and Human Services (HHS), Washington, DC 20201.

**FOR FURTHER INFORMATION CONTACT:** For information about how the guidelines are used or how income is defined in a particular program, contact the Federal, state, or local office that is responsible for that program. Contact information for two frequently requested programs is given below:

For information about the Hill-Burton Uncompensated Services Program (free or reduced-fee health care services at certain hospitals and other facilities for persons meeting eligibility criteria involving the poverty guidelines), contact the Office of the Director, Division of Facilities Compliance and Recovery, Health Resources and Services Administration, HHS, Room 10-105, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland